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Application No. 10/518,823
Amendt dated March 12, 2010
Reply to Office action of March 10, 2010

Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:**Claims**

- 1) (New) A method for pricing a derivative contract comprising:
 - a) Receiving via an input device, from one or more users at least one price for each one or more basis instrument contracts (BICs); (See page 5)
 - b) Receiving via the input device a request from a user for a price of a derivatives contract; (See pg. 4)
 - c) Determining, by a computer linked to the input device, a price that is the most competitive of each of said one or more basis instrument contracts (BICs); (See pg.5)
 - d) Decomposing by the computer processor, the derivative contract;
 - e) Creating, by the computer processor, a portfolio comprising one or more said basis instrument contracts (BICs) based on the decomposition;
 - f) Yielding, by the computer processor, the price of the derivative contract based on the most competitive price for each of the one or more basis instrument contracts (BICs) that comprise the portfolio; (See Fig 4. Pg4)

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- g) And transmitting, via an output device linked to the processor, the price of the derivative contract to the user that requested the price of the derivative contract.

- 2) (New) The method of claim 1, incorporated in a derivatives trading or exchange method and comprising a further step of adding to the transmitted price of the derivative contract, an optional service margin.

- 3) (New) A system for pricing a derivative contract comprising:

An input device configured to:

- a) Receive via an input device, from one or more users at least one price for each one or more basis instruments contracts (BICs); (See page 5)
- b) Receive a request from a user for a price of a derivatives contract; (See pg. 4)
- c) Determine a price that is the most competitive of each of said one or more basis instrument contracts (BICs); (See pg.5)
- d) Decompose by the computer processor, the derivative contract;
- e) Create, by the computer processor, a portfolio comprising one or more said basis instrument contracts (BICs) based on the decomposition;
- f) Yield, by the computer processor, the price of the derivative contract based on the most competitive price for each of the one or more basis instrument contracts (BICs) that comprise the portfolio; (See Fig 4. Pg4)
- g) And an output device configured to transmit the price of the derivative contract to the user that requested the price of the derivative contract.

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4) (New) The system of claim 3, incorporated in a derivatives trading or exchange system and comprising, a further step to add to the transmitted price of the derivative contract, an optional service margin.

5) (New) A Computer executable program code for pricing a derivative contract and residing on a computer-readable medium, the program code comprising instructions for causing the computer to:

- a) Receive from one or more users at least one price for each one or more basis instruments contracts (BICs); (See page 5)
- b) Receive a request from a user for a price of a derivatives contract; (See pg. 4)
- c) Determine a price that is the most competitive of each of said one or more basis instrument contracts (BICs); (See pg. 5)
- d) Decompose the derivative contract;
- e) Create a portfolio comprising one or more said basis instrument contracts (BICs) based on the decomposition;
- f) Yield the price of the derivative contract based on the most competitive price for each of the one or more basis instrument contracts (BICs) that comprise the portfolio; (See Fig 4. Pg4)
- g) And transmit the price of the derivative contract to the user that requested the price of the derivative contract.